

LATHAM & WATKINS LLP

Mark A. Flagel (Bar No. 110635)

Robert Steinberg (Bar No. 126407)

John D. Minton (Bar No. 223823)

140 Scott Drive

Menlo Park, CA 94025

Telephone: (650) 328-4600

Facsimile: (650) 463-2600

Email: mark.flagel@lw.com

Attorneys for Plaintiff and Counterclaim Defendant

MONOLITHIC POWER SYSTEMS, INC.

SQUIRE, SANDERS & DEMPSEY L.L.P.

Nathan Lane, III (Bar No. 50961)

Joseph A. Meckes (Bar No. 190279)

One Maritime Plaza, Suite 300

San Francisco, CA 94111

Telephone: (415) 954-0200

Facsimile: (415) 393-9887

Email: nlane@ssd.com

Attorneys for Defendant and Counterclaimant

TAIWAN SUMIDA ELECTRONICS, INC.

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

MONOLITHIC POWER SYSTEMS, INC., a
Delaware corporation,

Plaintiff,

v.

TAIWAN SUMIDA ELECTRONICS, INC.,
a Taiwan corporation,

Defendant.

CASE NO. C 05-3522 CW

**STIPULATION OF DISMISSAL WITHOUT
PREJUDICE AND ORDER**

Date: n/a

Courtroom: 2

Judge: Hon. Claudia Wilken

AND RELATED COUNTERCLAIMS

STIPULATION

WHEREAS,

1. The Court issued an Order Granting in Part and Denying in Part Sumida's Motion for Summary Judgment and MPS's Cross-Motion for Summary Adjudication on June 25, 2007 ("Order");

2. Pursuant to the Order, the parties participated in a mediation before Magistrate Judge Edward A. Infante (Ret.) on July 18, 2007, and reached an agreement in principle at the mediation to settle their disputes;

3. The parties have executed as of July 30, 2007, a settlement agreement resolving their dispute (the "Settlement Agreement");

4. The Settlement Agreement obligates the parties to negotiate the terms and conditions of a letter of credit or escrow agreement, between themselves and with a bank or escrow company;

5. The parties' negotiations of the terms and conditions of that letter of credit or escrow agreement have not yet been concluded;

6. The parties nonetheless wish to dismiss this action without prejudice to allow them to complete their negotiations;

7. The parties also wish to provide that, in the unlikely event that their negotiations do not succeed, their dismissal without prejudice can be set aside upon notice from either party without further action by this Court and that the action would be returned to this Court's docket as if the dismissal without prejudice had not been entered;

NOW, THEREFORE,

The parties hereby STIPULATE that:

(1) Pursuant to Rule 41(a)(1)(ii) of the Federal Rules of Civil Procedure, Plaintiff and Counterclaim Defendant Monolithic Power Systems, Inc. and Defendant and Counterclaimant Taiwan Sumida Electronics, Inc., through the signature of their counsel, stipulate to dismiss this action without prejudice, including all claims, counterclaims and affirmative defenses;

(2) If, no earlier than sixty (60) days from the date hereof, the parties are unable to agree

on the terms and conditions of a letter of credit or an escrow agreement as contemplated by the Settlement Agreement, either party may, upon notice filed herein, cause the dismissal of this action without prejudice to be set aside and the action to be returned to the Court's docket as if the dismissal without prejudice had not been entered;

(3) If the parties agree to the terms and conditions of a letter of credit or any escrow agreement, they shall submit to this Court a further stipulation providing that the dismissal without prejudice entered pursuant to the present stipulation shall be a dismissal with prejudice; and

(4) This Court shall retain jurisdiction over this action and the parties to enforce the Settlement Agreement and any further obligations undertaken and agreements made pursuant to the Settlement Agreement.

Dated: August 2, 2007

Respectfully submitted,

LATHAM & WATKINS LLP

By: /s/
Robert Steinberg

Attorneys for Plaintiff and Counterclaim
Defendant MONOLITHIC POWER SYSTEMS,
INC.

Dated: August 2, 2007

Respectfully submitted,


SQUIRE, SANDERS & DEMPSEY L.L.P.

By: /s/
Nathan Lane III

Attorneys for Defendant and Counterclaimant
TAIWAN SUMIDA ELECTRONICS, INC.

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: 8/7/07



Claudia Wilken
United States District Judge